



S.O.S.: STOP OVER-SPENDING ACT OF 2007



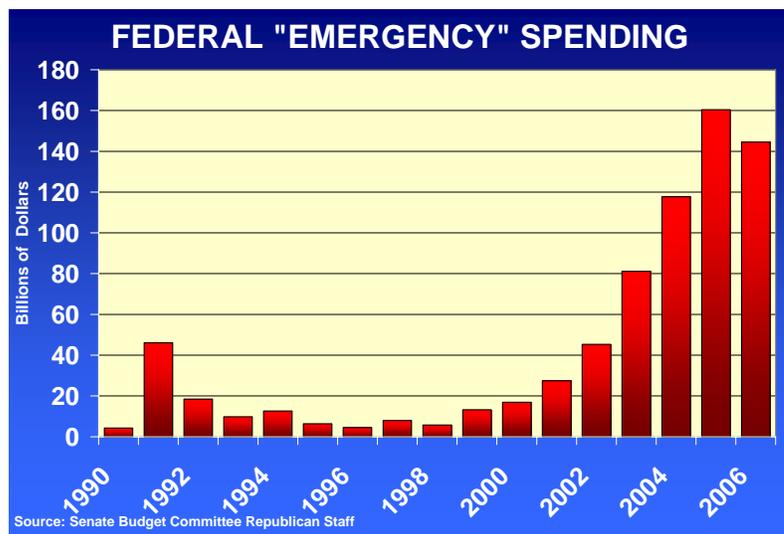
SPENDING RESTRAINT - DEFICIT REDUCTION - BUDGET ENFORCEMENT - FISCAL RESPONSIBILITY

Statutory Limits on Discretionary Spending

From 1991-2002, Congress and the President operated under statutory caps on discretionary spending. When statutory caps were put into place, Congress included an exception for emergencies to allow Congress to provide funding for unforeseen disasters. Unfortunately, a mechanism that was intended to be a safety valve for unexpected funding has become a fire hose for spending.

Today, “emergency” spending has allowed Congress to operate a “shadow budget,” as emergency spending is not offset, and is considered “off the books.”

The Stop Over-Spending Act of 2007 works to fix the broken budget process and put in place new, meaningful restraints with realistic enforcement mechanisms that will ensure that we hand our children, and our children’s children, a government they can afford.



The SOS Act reinstates statutory caps -- last used in 2002 -- for discretionary spending and includes in that regimen an adjustment for a reasonable amount for emergency spending, if needed. The new caps would be enforced by sequestration (automatic, across-the-board discretionary spending reductions.)

- The statutory caps for the next three years are as follows:
 - \$932 billion in 2008
 - \$957 billion in 2009
 - \$973 billion in 2010

- A separate cap adjustment is created for Global War on Terror spending, on top of discretionary limits:
 - \$145 billion in 2008 (President’s request)
 - \$100 billion in 2009
 - \$50 billion in 2010

- A cap adjustment of up to \$5 billion is allowed in 2008-2010 for emergency spending.
- If Congress fails to adhere to statutory caps, as adjusted for emergency spending, then the Office of Management and Budget would be required to implement an across-the-board sequester in discretionary spending in order to ensure that spending does not exceed the spending caps prescribed in law.